

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF COMMUNITY AFFAIRS**

1800 Third Street, Suite 390  
P. O. Box 952054  
Sacramento, CA 94252-2054  
(916) 445-6000  
FAX (916) 323-6016

**CDBG****Community Development Block Grant Program****MANAGEMENT MEMORANDUM****Memorandum Number 02- 15****TO: All CDBG Eligible Jurisdictions and CDBG Interested Parties****DATE: July 18, 2002****SUBJECT: Implementation of SB 975**

The Department of Housing and Community Development has received the enclosed letter from the State Department of Industrial Relations (DIR) regarding SB 975 and state prevailing wages. As you will see, the letter addresses two topics: pre-January 1, 2002 HCD contracts and the applicability of SB 975 to construction under those contracts, and (b) projects with LIHTCs in the deal.

We are disseminating this letter to our Department customers in an effort to assure you are aware of all relevant written guidance from DIR relating to HCD-assisted projects. We hope you find this information useful.

If you have any questions about using your CDBG funds for housing projects that might require the payment of state prevailing wages, please contact your CDBG representative.

enclosure